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C O N F I D E N T I A L SECTION 01 OF 02 JAKARTA 001629

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SUBJECT: IRAN AND EAST JAVA MUDFLOW: DPR QUERIES YUDHOYONO)

REF: A. A. JAKARTA 1405 (PARLIAMENT VOTES TO

INTERPELLEATE PRESIDENT OVER IRAN VOTE)

[1](#)B. B. JAKARTA 972 (HEAT STILL ON YUDHOYONO
FOLLOWING IRAN VOTE)

[1](#)C. C. JAKARTA 508 (LAPINDO MUDFLOW VICTIM
DEMONSTRATIONS END PEACEFULLY)

[1](#)D. D. JAKARTA 13 (GRIM MUDFLOW IMPACT FORECAST
PROMPTS SBY DECISIONS)

Classified By: Charge d'Affaires John A. Heffern,
Reasons 1.4(b) and (d)

[1](#)1. (C) Summary. On the heels of President Susilo Bambang Yudhoyono's refusal to appear personally before the Indonesian House of Representatives (DPR) in a June 5 query over Indonesia's vote in favor of UNSCR 1747, sanctioning Iran over its nuclear program, the DPR is now threatening to "interpellate" (formally question) the President over lack of effective response to the Lapindo mudflow disaster. While the Iran query was political gamesmanship in the lead-up to the 2009 presidential elections, the mudflow interpellation has genuine political resonance. It is meant to call the Yudhoyono administration to task for its apparent protection of Coordinating Minister for People's Welfare Aburizal Bakrie and for lack of government action to compensate the victims. End Summary.

[1](#)2. (C) On June 5, President Yudhoyono declined the DPR's request that he appear personally to answer an interpellation over Indonesia's vote in favor of UNSCR 1747 (refs A and B). Yudhoyono instead sent seven ministers to answer queries on his behalf. In a raucous session, the DPR refused to receive the ministers' testimony, demanding that Yudhoyono appear himself, and then postponed proceedings indefinitely. The Iran interpellation is widely regarded as a political gambit by political parties vying with Yudhoyono in the 2009 presidential elections. Djoko Susilo, Member of Parliament with the National Mandate Party and member of Commission I which deals with Iran and other foreign affairs issues, told PolOff June 8 that this interpellation was pressed primarily by the Indonesian Democratic Party-Struggle (PDI-P) and Justice Welfare Party (PKS). They were trying to make some political hay by playing on anti-American nationalism and pan-Islamism, he said. However, the Iran issue generates little public support, he contended. A strong critic of Myanmar's human rights abuses, Susilo added, "Iran has nothing to do with Islamic solidarity. If you really care about Islamic issues, what about Myanmar?"

[1](#)3. (C) Soon after the aborted Iran interpellation, DPR

members proposed a motion on June 7 for an interpellation regarding the government's management of the mudflow disaster in Sidoarjo, East Java (Surabaya metro area - refs C and D). As of June 9, 200 DPR members had signed the letter in support of the interpellation. This motion will likely pass due to widespread public concern for the estimated 30,000 to 60,000 persons displaced by the mudflow and the public perception that the government is dragging its feet on ensuring the victims are compensated. (Note: Presidential Foreign Policy Advisor Dino Djajal acknowledged May 29 that the mudflow is becoming a political issue for Yudhoyono because of the large number of votes in East Java, and that it has to be solved before the run-up to 2009 presidential elections.) Any such interpellation would involve Coordinating Minister for People's Welfare Aburizal Bakrie, who controls PT Lapindo Brantas, the company responsible for the drilling accident which caused the gas well blowout precipitating the disaster. DPR questioning of Bakrie may prove very uncomfortable for the government since he is a major Yudhoyono campaign financier. Bakrie has already received the benefit of a liability limitation in exchange for a promise of compensation payments to the first 5,000 homes and business owners through a Presidential decree (ref D), but has yet to deliver on his promises.

¶4. (C) Susilo told us that presidential advisor Andi Mallarangeng called him to say that Yudhoyono might appear himself for this interpellation. However, Susilo, who represents East Java, said he does not really care if Yudhoyono appears, provided that key ministers testify and offer a comprehensive solution to the problem. Noting that East Java has suffered catastrophic economic damages in the wake of the flow, he expressed outrage that refugees from the mudflow live in tents while Lapindo advisors stay in

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five-star hotels and do nothing. (Note: Mudflow damages are now estimated at \$3 billion.) Susilo said a high priority is to get a commitment from Lapindo to provide full compensation for all of the land, homes and businesses that residents lost. So far, only 24 of an estimated 12,000 homes and business owners have received a 20 percent down payment on their compensation, with the balance due two years later. "It is better that I get angry over Lapindo than over Iran," Susilo said. Taufikurrahman, a member of the DPR from the East Java delegation, told ConGen Surabaya that the main reason for the query is because of Yudhoyono's slowness in responding to the suffering. He added that some politicians may want to use the issue to damage Yudhoyono's popularity, while others may want to "blackmail" Bakrie for money or personal business advantage.

¶5. (SBU) Since the constitution does not require the President to appear for interpellations and Yudhoyono has done nothing illegal, outcries for him to appear personally are political posturing. However, the mudflow query is based on genuine public and political discontent with the government's lack of action to alleviate large scale suffering. This is the first real rumbling at the national political level to call the government to task for its mismanagement of the mud disaster and the apparent protection of the company at fault principally owned by one of its senior ministers. Our contacts in the government agency responsible for managing the mudflow are not confident that a realistic, comprehensive solution to stopping the mudflow is readily available. However, the tens of thousand of mudflow disaster victims hope that the interpellation will push compensation payments to the forefront of the government's agenda.

HEFFERN